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Indsholdsfortegnelse

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Abstract

This paper investigates the relationship between ethnic heterogeneity and social trust at three levels, the national, the regional and the local. Since we are particular concerned with how the rise of new ethnic groups affects trust, the investigation takes place within a European context, where ethnic diversity is to be seen as a relatively new phenomenon primarily related to immigration from non-western countries. The data originate primarily from the first and second round of the European Social Survey and the relationships between ethnic heterogeneity and trust is analyzed with the help of mulitilevel data-analysis. Contrary to several studies we do not find a stable relationship between ethnic diversity neither at the country level nor at the regional level. Furthermore, there are no indications that trust is influenced by the rise of new ethnic groups or by a growing conflict over the dawning of a multiethnic society. Only at the community level we find an effect. This effect remains after a control for several parameters that may characterize people living in ethnically mixed areas. It is, however, small and furthermore concentrated to a few countries.

Keywords: Social trust, social capital, ethnic diversity, immigration, multiculturalism

1. Introduction

A growing issue in recent discussions of social capital has been whether a transition to a more diverse, multiethnic society will affect the generation of social capital. Since there is widespread agreement that social capital constitutes an important resource for individuals, groups and societies alike, the findings of several researchers (Alesina & LaFerrara, 2002;

Delhey & Newton, 2005; Putnam, 2007) that ethnic heterogeneity is associated with lower social capital across local areas and countries has been subject to considerable discussion. In several countries these observations have been seen as a manifestation of the failure of multiculturalism and a support for an approach of assimilation. However, only few studies have been carried out in Europe on this matter thus far and the results of these studies are less clear than in the US (Pennant, 2005; Letki, 2008).

Nevertheless, the preliminary results from the US and the UK indicate that ethnic diversity might constitute a barrier for social capital, at least with regard to trust and at the local level. The question becomes whether this is predominantly a US and UK phenomenon, or is it a more general phenomenon? Two studies carried out at the national level and based on the World Value Survey appear to confirm the latter (Delhey & Newton, 2005; Anderson & Paskeviciute, 2006). 60 countries are included in the Delhey & Newton study, while Anderson & Paskeviciute includes 44 countries. In both cases, ethnic fractionalization survives several control variables and therefore appears to have some explanatory force. However, a recent study with more countries included does not give support to these findings (Bjørnskov, 2006). It is furthermore indicated that "the significance of ethnic diversity depends on which countries are included (Bjørnskov, 2006:12). While it of-course for statistical reasons is advantageous to have as many countries as possible included in the model, it is a problem if the included countries are highly different with regard to the nature of the independent variable. In this context it is not the objective characteristics of race or ethnicity that are important, but rather how the concept of ethnic diversity is constructed. Thus, ethnic diversity does not mean the same in Africa, Asia, Latin America and North America, where ethnic diversity has a long history, as in Europe, where ethnic diversity is a relatively recent phenomenon primarily related to new waves of immigration from non-western countries. This context dependency also appears in a recent study of the relationships between associations and social trust (Rossteutscher, 2008). The study shows that while associative belonging and volunteering is positively related to social trust in Western Europe, it is negatively related to social trust in other parts of the world.

To get an idea of how the relatively new phenomenon of ethnic heterogeneity in Europe affects social trust in a European context, we shall limit the analysis to Europe only. Within that context we shall furthermore make a distinction between West European and East European countries due to the different character of immigration in these two parts of Europe.

Social trust can be described as "generalized trust" or "trust in strangers" (Uslaner, 2002). There are several hypotheses concerning the relationship between ethnic diversity and social trust. One is that trust is lower in more heterogeneous societies because contacts across ethnic groups are more frequent. This can be called the "aversion to heterogeneity" interpretation (Alesina & La Ferrara, 2002:226). A second interpretation views lower trust as stemming from less trusting surroundings; e.g. if trust is low among the ethnic minorities in a particular area, the ethnic majority in the same area is less trusting than the ethnic majority living in a more homogeneous area. This can be labelled the "local interaction" interpretation (Alesina & La Ferrara, 2002, 225-226). A third theory of "ethnic competition" has been imported from research focusing on anti-immigrant attitudes (Schneider, 2007; Putnam, 2007; Hooghe, 2008). According to this theory, lower trust is a reaction to "perceived threats"; e.g. perceived *economic threats* if members of one ethnic group fear they will lose economic and social privileges to members of another ethnic group, or perceived *cultural threats* if representatives of the majority culture perceive a minority culture as being incompatible or an actual threat to the majority culture. Such perceived threats do not necessarily rely on concrete experiences; they may also be influenced by how ethnic diversity is articulated and interpreted in the political public. Towards these "conflict" theories stands a so-called "contact" theory arguing that inter-ethnic contacts foster inter-ethnic tolerance, solidarity and trust (Putnam, 2007). This contact theory does not necessarily contradict the "conflict" theories; rather, the two types of theories can be combined, as contacts across ethnic groups are seen to modify the negative effects of diversity on trust (Stolle et al., 2008).

As mentioned above, relationships between ethnic heterogeneity and social trust have been found both at the national and the local level; however, there are different reasons for expecting such relationships at the respective levels. In many European countries it happens quite often that persons belonging to the majority ethnic group have no or only little daily contact with persons belonging to minority ethnic groups. In these cases we assume trust to be mainly affected by "perceived threats", as such threats could arise even where there is little or no contact with persons from a different ethnic group. Such "perceived threats" may of-course also play a role in areas where people belonging to minority groups are concentrated, and where different cultural traditions and lifestyles are confronted directly. However, in these areas we also expect local interactions to play a role. The analysis is therefore carried out at both the national level and the local level and between these two, the regional level. At all three levels, ethnic fractionalization is measured as the relative size of ethnic minority groups, but different methods of calculation are used.

At the national level, Delhey & Newton (2005) ends up with an explanatory model for social trust that has Protestantism and ethnic fractionalization as the two independent variables and good governance, national wealth and income equality as the intervening variables. We test this model for Europe, but unlike most studies, we use multilevel data analysis, which allows us to simultaneously control for characteristics at the national and individual level, which is important when there are a limited number of cases at the national level.

At the local level, where we have got no objective data, the variable of ethnic heterogeneity or fractionalization is based upon the respondent's own estimate of the number of people of a different ethnic minority group living in their area. Based upon such information, the question becomes whether trust is lower among the ethnic majority in areas with many residents of a different ethnic group than in areas with few or no members of a different ethnic group. A number of factors are controlled for in order to adjust for individual characteristics that possibly explain lower trust in areas with high concentrations of ethnic minority groups. To carry out this analysis, we have selected eight Western European

countries that have experienced major increases in immigration from Third World countries (including Turkey and the Balkans) since the 1960s.

In the analysis outlined above, we have relied on cross-country data at a particular point in time. This may be misleading, however, as there are vast differences between the European countries concerning not only the scope but also the time and pace of ethnic diversification, just as there are differences in the degree to which immigration has been accompanied by political conflicts. Such contextual differences should be taken into consideration. One could argue that rather than the presence of people of a different ethnic origin, it is the *rise* of the presence of minority ethnic groups that leads to lower trust (Hooghe, 2008). We shall therefore supplement the static analysis of the relationship between ethnic diversity and trust with a dynamic analysis in which changes in the ethnic composition of society for a number of European countries are related to the development of trust. Furthermore, if increasing ethnic diversity is accompanied by lower trust in the population as a whole or in relevant subgroups, this may support the hypothesis of trust as a reaction to perceived threats, namely that in countries moving from levels of relative homogeneity to relative heterogeneity, trust is undermined, as people feel insecure and fear the economic and cultural consequences of increasing immigration.

2. Data

The variable most often used to measure social trust is whether, in general, “most people can be trusted” or “you can’t be too careful in dealing with people”. It has been argued that this variable captures the essence of “trust in strangers” (Uslaner, 2002, Ch. 3; Bjørnskov, 2006). However, the European Social Survey data set, which constitutes the basic data set for this study, includes two more possible items for measuring generalized trust, namely “Do you think most people will try to take advantage of you if they got the chance, or would they try to be fair?” and “Would you say that most of the time people try to be helpful or that they are mostly looking out for themselves?” The reliability of these variables has been tested in a recent study conducted by Reeskens & Hooghe (2008). Based on their

recommendations, we have constructed a scale of trust that includes the two first items (Appendix).

Addressing the independent variable, the exercise is to identify persons belonging to some ethnic minority group or another. This is not easy. First of all, there is no single definition of what constitutes "ethnicity". We generally identify persons from a minority ethnic group by a combination of their appearance (typically skin colour), religion, cultural customs and/or language. However, it is not possible to point out the exact criteria by which those belonging to the majority ethnic group can be separated from those belonging to minority ethnic groups. We shall therefore apply three proxy measures (Appendix). The first is identical with the variable used by Delhey & Newton (2005) in their study of 60 countries, which includes three variables originating from a fractionalization index developed by Alesina et al. (2003): ethnic, linguistic and religious fractionalization. The second proxy measure is based on OECD statistics (Dumont & Lemaitre, 2005). Here, ethnic minorities are identified as the non-Western population residing in Europe but born outside of the EU-25, North America and Oceania (Lolle & Torpe, 2007). The third measure is based on survey data from European Social Survey (ESS). Here respondents are asked where they and their parents were born. As a proxy for ethnic minority groups, non-Western immigrants are identified as 1) those born outside of the present EU, the Nordic countries, Canada, Australia, New Zealand, Andorra, Liechtenstein, Monaco, San Marino, Switzerland and the Vatican State and whose parents were not born in these countries; and 2) those descendants whose mother was born outside the above-mentioned countries.[i] This variable thus also includes so-called second-generation immigrants, who do not figure in the official statistics in most countries. While the two first measures are used at the country level, the third measure is used at the regional level.

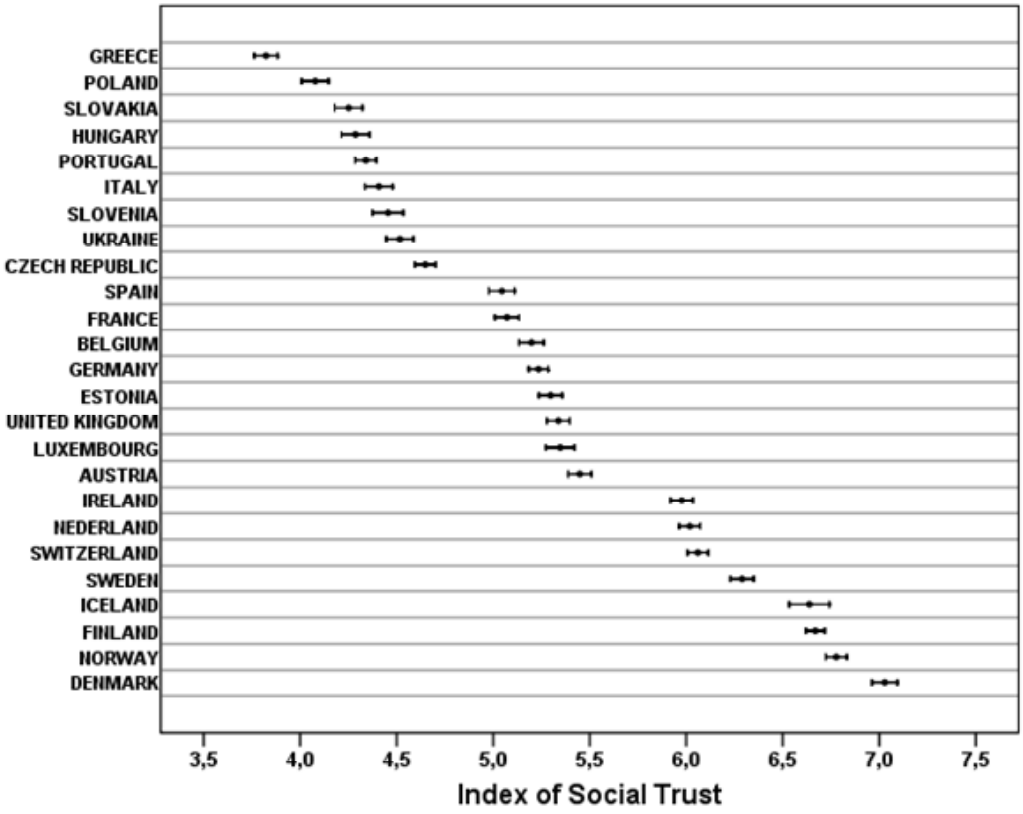
At the local level ethnic heterogeneity is measured by a variable included in the first round of European Social Survey from 2002, namely how many people of a different ethnic group are residing in the respondent's area: almost nobody of a different race or ethnic group, some people of a different race or ethnic group, or many people of a different race or ethnic

group (Appendix A). This variable is used as a reliable proxy variable for an actual measurement of the number of people with different ethnic origins in local areas. The fact that there is a moderate to strong correlation with both urbanization and membership of an ethnic minority group – also when controlled for a number of variables – lends some support to this.

3. Ethnic diversity and social trust at the national and regional levels

As shown in Figure 1, there are tremendous variations in the level of trust between the 25 countries included in the analysis.[ii] As Figure 1 also shows, the countries tend to group in major clusters. With few exceptions, the general picture is as follows: the Nordic countries at the top, the South and East European countries at the bottom, and the Central European countries in the middle. As indicated by the intervals, some of the minor differences between the countries could be coincidental, while the major differences are more systematic.

Figure 1: Social trust in 24 European countries. European Social Survey 2004



How do we explain such variance? As mentioned above, Delhey & Newton (2005) ends up with an overall model in which *ethnic homogeneity* and *Protestantism* are the two independent variables and *good governance*[iii], *national wealth* (GDP) and *income equality* (gini coefficient) are the intervening variables[iv]. The question is whether ethnic homogeneity/ethnic heterogeneity is also a determining factor for trust in the European context. To answer this question, the Delhey & Newton model is applied for the 25 countries included in the European Social Survey from 2004[v]. To be able to compare directly with Delhey and Newton, we use the single item measure of trust, whether "most people can be trusted or you can't be too careful", as the dependent variable. For the overall conclusion it makes however no difference whether this variable is used or we use the two item measure of trust.

As most East European countries are "low-trusting" and these countries furthermore are different from West European countries concerning the character of immigration, two different analyses are carried out in the first round of analyses at the country level: One that include all 25 countries and one that include only 18 West European countries. The second round of analyses is further supplemented with the two different measures of ethnic heterogeneity mentioned above, just as we include the regional level in the analysis.

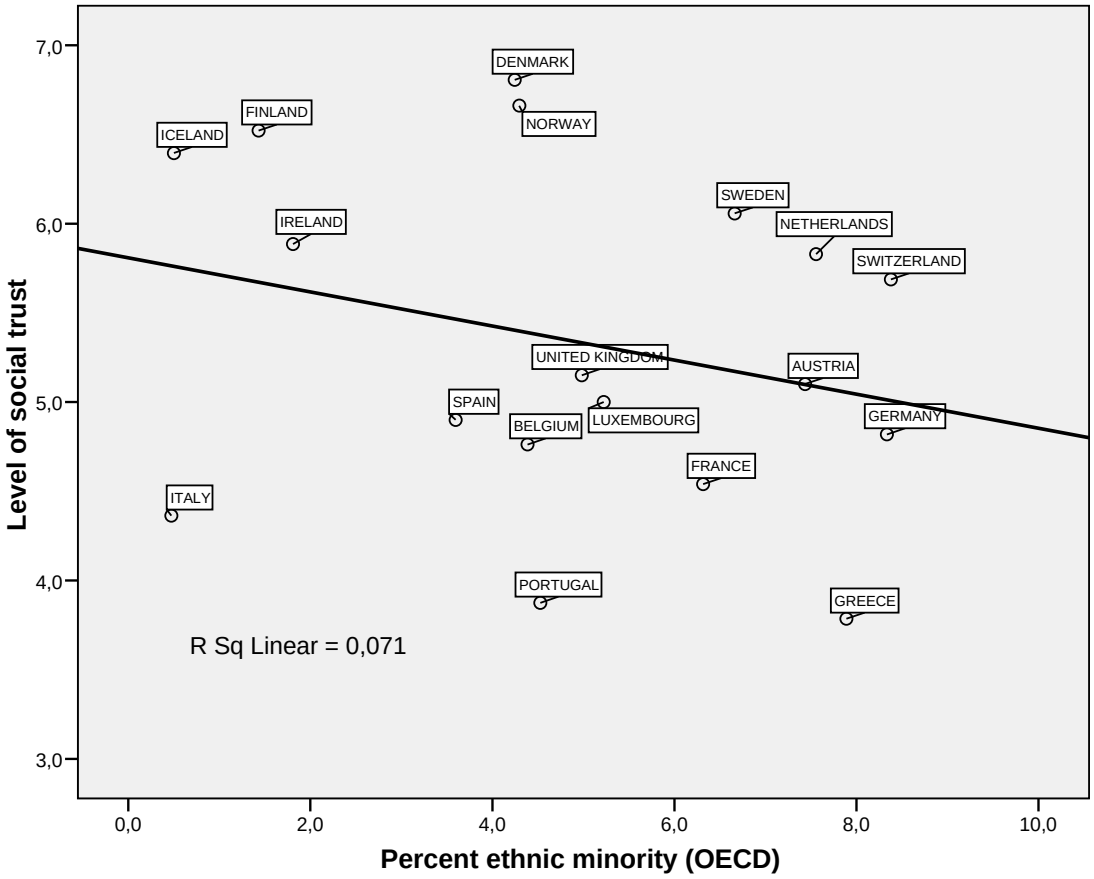
Table 1 shows the bivariate effects of country level variables on social trust. As appears the effects of *good governance, national wealth, income equality (the gini coefficient)* and the two dummies for Protestantism are rather strong, while the effects of percent non-western immigrants and ethnic fractionalization is non-significant both for Europe as a whole and for Western Europe. We do, however, observe a moderate correlation between ethnic heterogeneity and social trust in Western Europe. As appears in Figure 2 this is caused by the combination of relative ethnic homogeneity and high social trust in the Nordic countries. No effect remains if these countries are taken out of the analysis.

Table 1: Correlations between social trust and a series of country specific characteristics. Country level analyses.

	Pearson's r	
	25 countries (West & East)	18 countries (West)
Country-specific variables:		
Pct. non-Western immigrants (OECD)	-.01 NS	-.27 NS
Ethnic fractionalization	-.18 NS	-.20 NS
Linguistic fractionalization	.04 NS	-.01 NS
Religious fractionalization	-.12 NS	-.02 NS
Good governance	.74 ***	..83 ***
National wealth (GDP pr. capita)	.69 ***	.56 **
Gini index	-.39 *	-.77 ***
Protestant or mixed Protestant and Catholic	.77 ***	.79 ***
Protestant	.71 ***	.66 ***

NS: Non Significant; * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Figure 2 Correlation between social trust and percent belonging to ethnic minority groups.



The question is now whether in Western Europe ethnic heterogeneity has an effect on trust in analyses, where ethnic heterogeneity are seen in combination with other variables of the Delhey-Newton model, and where individual level characteristics and different combinations of country level variables are controlled for at the same time. With only 18 cases (countries) available, though, it is not advisable to include more than two independent variables at the country level in each model at a time. By running different combination we aim for the best possible model in terms of explained variance and variables that are significant at the .05 level. Even this can, however, be questioned. The results of these analyses must therefore be seen as tentative. Fortunately, the analysis can be strengthening

by including the regional level into a three level model. The 18 countries have 77 regions and for each region we can estimate the proportion of non Western immigrants from the ESS data.

Table 2: Ethnic heterogeneity and social trust in Western Europe. Multilevel analysis. Raw regression coefficients and random effects.

	Model 0 *Empty model*	***Model 1*** *Bivariate effect from percent non-Western*	***Model 2*** *+ individual level characteristica*	***Model 3*** *Best model with both individual- and country-specific variables*	***Model 4*** *+ percent from ethnic minority groups in region. Three-level model*
Fixed effects					
Intercept	5.34 ***	5.80 ***	4.55 ***	2.50 ***	2.32 ***
Individual level variables:					
Age (in tens)			.05 ***	.05 ***	.05 ***
Education (1-6)			.26 ***	.25 ***	.25 ***
Regional level variable (minimum to maximum effect)[A]*:*					
Percent non-Western immigrants (ESS)					.05 NS
Country-level variables (minimum to maximum effects)[A]*:*					
Percent non-Western immigrants (OECD)		-.75 NS	-.49 NS	—	—
Ethnic fractionalization				—	—
Linguistic fractionalization				—	—
Religious fractionalization				—	—
Good governance				1.58 **	1.61 **
National wealth (GDP)				—	—
Income equality (Gini index)				—	—
Protestant/mixed Protestant & Catholic				.79 **	.76 *
Protestant				—	—
Random effects					
Variance at individual level	5,05 ***	5.05 ***	4.92 ***	4.92 ***	4.93 ***
Variance at regional level					.07 ***
Variance at country level	.86 ***	.85 ***	.69 ***	.16 **	.18 **
Intra-class correlation (country)	.14	.14	.12	.04	.03
Explained variance at individual level			3 pct.	3 pct.	3 pct.
Explained variance at regional level[B]					13 pct.
Explained variance at country level		1 pct.	20 pct.	81 pct.	79 pct.

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

Note: The following analyses are based on respondents who are more than 20 years of age. Included in the analysis is a *design weight* constructed by the team behind the European Social Survey. This weight adjusts for differences in selection probability among different groups inside the countries. This gives a somewhat better representativity, although the practical effect of the weights is rather small. The variable of education is calculated as the level of completed or ongoing education.

A. The variables have been rescaled to a range of 1, which means that the regression coefficient displays the effect on trust when changing the independent variable from the minimum value to maximum value in the sample.

B. Information from an empty three-level model (not shown) is used in the calculation of the explained variance at the regional level.

The results are shown in Table 2. Model 0 displays the estimates from an empty model with no fixed effects, i.e. without independent variables. In this model, we only see how the variance of the dependent variable is divided between the two levels: individuals and countries. Of the overall variance (which amounts to 5.91), 0.86 is caused by the variation between the countries, and 5.05 is caused by the variations between the individuals. The intra-class correlation (ICC) measures the proportion of the overall variance caused by national differences. In this case, most variance is caused by individual variations, though a considerable amount of variation is also caused by national variation (14 percent). Model 1 shows the bivariate effect of percent *non-Western immigrants (OECD)* on social trust. Model 2 includes two individual-level control variables, *age* and *education*, and together with *non-Western immigrants* these explain 20 percent of the country-level variance. Model 3 presents the best two-level models. It is found after having run a number of models with different combinations of variables, including two independent variables at the national level. As appears this model includes none of the two different measures of ethnic heterogeneity.

Model 4 displays the three level model results at the regional level. The regional level variable is based on data from the European Social Survey and measured as the share of non-western immigrants in different regions of Europe. As appears the effect is limited and statistically insignificant.

All together, for Europe as a whole the hypothesis that ethnic heterogeneity is associated with lower level of social trust is not confirmed. This is the case both at the country level and at the regional level. However, for Western Europe it appears that ethnic heterogeneity correlates negatively with social trust. This is explained by the combination of high trust and relative low ethnic heterogeneity in the Nordic countries. The correlation is, however, not statistically significant and it is furthermore reduced in combinations with variables that both correlates with social trust and are characteristic for the Nordic countries, namely good governance, high BNP pr. capita, income equality and Protestantism. Rather than ethnic

homogeneity it is such variables we presume explains the high level of trust in the Nordic countries.

4. Ethnic diversity and trust at the local level

The relationship between ethnic diversity and trust at the local level is examined by utilizing a proxy measure for the size of ethnic minorities, namely a variable from the European Social Survey 2002, in which respondents are asked to describe the area they currently live in (see Appendix). The analysis is carried out in eight selected Western European countries sharing in common a growth in the proportion of Third World immigrants since the 1960s, namely Belgium, Germany, the UK, Switzerland, the Netherlands, Sweden, Norway and Denmark.[vi]

Not only are third world immigrants among the poorest in society in terms of education, income etc. Many of them also live in so called deprived areas, i.e. areas characterized by high crime, high unemployment, bad health, low income, low network resources etc. As Letki (2007) has shown such characteristics may also help explain lower trust. These should therefore be taken into account when analyzing the effects of ethnic diverse communities on trust. As we have no exact information of such neighbourhood characteristics we shall include some variables in the analysis that are able to "capture" effects from such context parameters (model 3 below).

The statistical analysis includes four models with different blocks of variables. All of them include the independent variable of how many people of a different ethnic group are residing in the area. This variable is operationalized as a discrete variable with a dummy for two of the three categories. Moreover, the models include (see Appendix for a further description of the variables):

Model 1: A number of country dummies.

Model 2: Individual background information, including age, level of education, number of students, unemployment, income, and urbanization. These variables are meant to control for

spuriosity. The variable of urbanization is included because living in an urban area, which most immigrants do, may have a different impact on trust than living in rural areas.

Model 3: Some variables that lie further ahead in the causal chain, which may also help control for spuriosity: 1) whether the respondent or a member of their household has fallen victim to a burglary or assault in the last five years; 2) how the individual respondent estimates their own health and financial situation; and 3) two variables pertaining to network membership.

Model 4: This model does not intend to control for spuriosity, but to test whether lower trust in areas with many members of a different ethnic minority group is related to perceived threats. In this context, *perceived threats* functions as an intervening variable and is constructed as a mean of six items pertaining to the respondent's views on immigrants and immigration[vii].

Model 1 shows the score of the independent variable on social trust adjusted for only national differences. It would appear as though the respondents living in areas with many members of different ethnic groups score about half a point lower on the index for social trust than respondents living in areas with few or no ethnic minorities. Moreover, it is worth mentioning that the effect is not monotone; the effect could have been estimated using a single dummy indicating whether the respondent lives in an area with *many* persons belonging to a different ethnic group or few or no persons belonging to a different ethnic group.

In Model 2, it turns out that up to almost 25 percent of the effect of living in areas with many persons belonging to a different ethnic group can be explained by background variables such as age, level of education, income etc. In this model, the respondents living in areas with many persons belonging to a different ethnic group are estimated to score around 0.4 points lower than respondents that live in areas with very few persons belonging to a different ethnic group.

In Model 3 with all control variables roughly half of the effect of living in an area with many or few persons belonging to a different ethnic group is explained. Persons living in a local community with *many* persons belonging to a different ethnic group typically score 0.28 points lower on the social trust scale than those living in areas with very few persons belonging to a different ethnic group. Although statistically significant[viii], this must nonetheless be considered to be a rather limited effect.

Model 4 investigates whether this effect can be related to the hypothesis pertaining to the perceived threats of immigrants; however, this is not the case. *Perceived threats* only explain a very limited part of the effect from the proportion of people belonging to ethnic minority groups.

Table 3: The effect on trust of living in areas with many members of different ethnic group (index). Linear regression. Unstandardized regression coefficients[A] and explained variance. N = 13,390.

	Model 1 country dummies	*Model 2 + background variables*	***Model 3*** *+ Further test for spuriosity*	***Model 4*** *+ Perceived threats*
Intercept	6.80 ***	5.46 ***	5.22 ***	4.08 ***
Country dummies:				
Germany	-1.96 ***	-2.01 ***	-1.74 ***	-1.65 ***
Belgium	-1.94 ***	-1.95 ***	-1.78 ***	-1.67 ***
Great Brittan	-1.86 ***	-1.81 ***	-1.66 ***	-1.55 ***
Switzerland	-1.17 ***	-1.24 ***	-1.05 ***	-1.12 ***
Netherlands	-1.16 ***	-1.15 ***	-1.05 ***	-1.02 ***
Sweden	-.79 ***	-.80 ***	-.70 ***	-.91 ***
Norway	-.42 ***	-.49 ***	-.44 ***	-.42 ***
Denmark (ref.)	—	—	—	—
Respondent's estimate of how many members of a different ethnic group that live in the area:				
Very few	.51 ***	.42 ***	.32 ***	.30 ***
Some	.44 ***	.37 ***	.31 ***	.23 ***
Many (ref.)	—	—	—	—
Gender (female)		.13 ***	.16 ***	.15 ***
Age in tens		.07 ***	.10 ***	.10 ***
Education (0-6)		.23 ***	.19 ***	.11 ***
Student		.39 ***	.30 ***	.19 ***
Unemployed, looking for work		-.28 ***	-.07 NS	.00 NS
Unemployed, not looking for work		-.33 *	-.12 *	-.13 NS
Low income		-.23 ***	-.06 NS	-.03 NS
Urbanization		-.05 ***	-.03 *	-.05 ***
Assault or burglary last 5 years			-.23 ***	-.20 ***
Health (1-5)			.18 ***	.16 ***
Difficult to live on present income (1-4)			-.26 ***	-.22 ***
Social network (1-7)			.09 ***	.08 ***
Organizational network (1-3)			.15 ***	.10 ***
Perceived threats (0-10)				.29 ***
R^2	.13	.16	.19	.24
Adjusted R^2	.13	.16	.19	.24

*** p < 0.005; ** p < 0.01; * p < 0.05

A) The effect of the independent variable of primary interest, i.e. the number of people belonging to ethnic minority groups, is estimated with two dummy variables. This means, for instance, that Model 2 estimates that people living in areas with many inhabitants from minority groups typically score 0.52 points lower on the index for social trust than people living in areas with very few from minority groups. The country dummies are also interpreted in this manner. The rest of the variables are either single dummies or assumed interval-scaled variables with the further assumption of linear effects. In Model 3, for instance, it is estimated that females typically score 0.13 times higher than men and that each point on the education scale typically gives 0.23 points higher on the dependent variable. Parentheses indicate minimum and maximum values. All variables are fully described in Appendix

How do we then explain that trust is generally slightly lower among the ethnic majority in neighbourhoods with many persons of a different ethnic origin? One possible explanation

lies in the "local interaction" interpretation (see Introduction). According to this interpretation lower trust among the ethnic majority in ethnic mixed areas is the result of less trusting surroundings, e.g. of lower trust among the ethnic minorities living in such areas.

Table 4: The effect on trust of living in areas with many of different ethnic groups for each country. Linear regression (OLS). Unstandardized regression coefficients and explained variance.

		Model1 *Ethnic minority in local area*	***Model 2*** *+ background variables*	***Model 3*** *+ further test for spuriosity*	***Model 4*** *+ perceived threats*
Respondent's own estimate of number of people belonging to ethnic minorities in local area:					
Germany:	Very few	.65 ***	.55 ***	.46 ***	.42 ***
(N = 2173)	Some	.71 ***	.63 ***	.54 ***	.41 ***
	Many (ref.)	—	—	—	—
Belgium:	Very few	.55 **	.28 NS	.06 NS	.08 NS
(N = 1331)	Some	.56 **	.35 NS	.23 NS	.16 NS
	Many (ref.)	—	—	—	
Great Brittan:	Very few	.37 *	.24 NS	.15 NS	.07 NS
(N = 1823)	Some	.34 *	.29 NS	.22 NS	.12 NS
	Many (ref.)	—	—	—	—
Switzerland:	Very few	.31 *	.27 *	.22 NS	.22 NS
(N = 1709)	Some	.23 NS	.16 NS	.15 NS	.11 NS
	Many (ref.)	—	—	—	—
Netherlands:	Very few	.52 **	.33 NS	.24 NS	.16 NS
(N = 1551)	Some	.32 NS	.18 NS	.16 NS	.03 NS
	Many (ref.)	—	—	—	—
Sweden	Very few	.51 ***	.47 *	.32 NS	.34 NS
(N = 1703)	Some	.42 **	.40 NS	.29 NS	.22 NS
	Many (ref.)	—	—	—	—
Norway	Very few	.69 ***	.62 ***	.55 ***	.51 ***
(N = 1878)	Some	.48 ***	.42 **	.38 *	.31 *
	Many (ref.)	—	—	—	—
Denmark	Very few	.59 ***	.59 ***	.53 **	.52 **
(N = 1219)	Some	.61 ***	.57 ***	.53 **	.47 *
	Many (ref.)	—	—	—	—
France	Very few	.06 NS	.17 NS	.15 NS	.16 NS
(N = 129	Some	.10 NS	.13 NS	.09 NS	.02 NS
	Many (ref.)	—	—	—	—
Austria	Very few	.30 NS	.26 NS	.17 NS	.15 NS
(1274)	Some	.48 **	.44 *	.36 *	.22 NS
	Many (ref.)	—	—	—	

*** p < 0.005; ** p < 0.01; * p < 0.05

In Table 4, the same analyses are carried out for each country. As we can observe there is a bivariate positive effect of living in neighbourhoods with few or some immigrants, but as also appears the effect disappears in a number of countries after the control is carried out. It is mainly in the Nordic countries that a significant effect remains. The overall positive relationship between ethnic homogeneity and trust at the community level is thus caused by a positive relationship in particular Denmark and Norway. This is not surprisingly considering that it is also in these two countries we find the greatest distance in trust between the ethnic majority and the ethnic minorities. Therefore, the "local interaction" interpretation seems to apply for these two countries. This interpretation is supported by the observation that it makes no big difference for the level of trust whether one lives in an area with nobody of a different ethnic group or an area with some people of a different ethnic group.

5. Trends in ethnic diversity and social trust

Until now, the analysis has been based on estimates of the size of ethnic minority groups at a certain point in time. However, rather than the presence of persons of different ethnic origins, is it possible that the *rise* of the presence of minority ethnic groups leads to lower trust? Country A and Country B may have the same proportion of ethnic minority groups, but while this is the result of a stable development in Country A, it is possibly the result of a sudden change – perhaps accompanied by political conflict – in Country B. The assumption that changes in the ethnic composition rather than the size of ethnic minority groups in itself is what has an influence on trust can be related to the theory of perceived threats. For many, the ongoing process of globalization and the emergence of a multiethnic society do not represent a challenge, but is perceived to pose a threat; either an economic threat or a threat against that which is understood to be "our national culture". Less social trust thus results from the sense of being invaded by foreigners: persons coming to take "our" jobs, who do not respect "our" customs and traditions, and who possibly even wish to enforce their "way of life" upon "us".

There are major differences between various countries in Europe – regarding the scope, timing and pace of immigration – just as the various countries have reacted differently to the challenges raised by the advent of multiethnic society. In some European countries, ethnic diversity has developed gradually since the 1960s in response to a growing need for immigrant workers. For other European countries, the increasing flow of refugees in the 1980s and 1990s caused rapid changes. In some countries, these changes have provoked anti-immigrant movements and parties. Research indicates that there are more positive attitudes towards immigrants in countries in which immigration has been seen as a planned response to a growing demand for foreign labour than in countries in which growing diversity has resulted from an unplanned influx of refugees (Goul Andersen, 2002).

However, it is impossible to obtain a precise picture of the development of immigration in Europe. The demographic information is rather incomplete, particularly before 2000. We only have information regarding the country of origin of foreign-born persons for a few countries, and the simple use of non-citizens is inadequate due to different naturalization praxis. Instead, we provide a rough picture based on OECD figures (2007) together with qualitative information. Five partly overlapping groups of countries can be identified:

1. Countries that were historically relatively ethnically homogeneous but underwent a rapid increase in the number of immigrants in the 1980s and 1990s, particular asylum seekers from the Middle East, Asia, Africa and the Balkans (e.g. Austria, Sweden, Norway and Denmark). Germany, the Netherlands, UK and France also received an influx of Third World immigrants in this space of time, but these countries were not as ethnically homogeneous as Austria and the Scandinavian countries before 1980.
2. Countries in which the influx of immigrants has been accompanied by the rise of anti-immigrant movements and where immigration – and subsequently religion – have become major sources of conflict (Austria, Denmark, Norway, France, and later to some extent in the Netherlands and the UK).
3. Countries that have gradually become more ethnically heterogeneous and where immigrants are mainly immigrant-workers (Luxembourg, Belgium and Switzerland).

4. Countries that remained relatively ethnic homogeneous prior to 2000 (Finland, Iceland, the Czech Republic, Hungary and Ireland).

The question thus becomes whether the flow of immigrants and debate over this issue are reflected in the development of social trust. Are there any indications of trust being influenced by the increase of non-Western immigrants in countries such as Austria, Sweden, Norway, Denmark, Germany, France, the Netherlands and the UK from 1980 to 2006 compared to countries such as Luxembourg, Belgium, Switzerland, Finland, Iceland, the Czech Republic and Hungary, where immigration has either developed more gradually or where the proportion of immigrants remains quite low? Furthermore, and in accordance with the threat hypothesis, one would particularly expect to see a drop in social trust among the unemployed and persons with limited education, who perceive immigrants as a cultural and economic threat (Schneider, 2007) on the grounds that they will compete for jobs, opportunities and limited social welfare benefits.

Table 5: The development of social trust. Percentage stating that most people can be trusted 1981, 1990 and 1999 among the whole population and among the unskilled and unemployed (World Value Studies).

	1981			1990			1999		
	All	Unskilled	Unempl.	All	Unskilled	Unempl.	All	Unskilled	Unempl.
Austria				32	26	(30)	34	20	(14)
Sweden	57		29	66	58	49	66	50	47
Norway	61	52	63	65	54	70	65		
Denmark	51	39	42	58	48	46	67	52	62
Netherlands	44	30	27	53	35	54	60	53	(87)
Germany	31	23	24	32	22	28	35	33	31
UK	44	33	25	44	38	34	30	25	17
France	24	17	24	23	5	17	22	14	15
Belgium	29	31	22	33	27	27	31	20	21
Finland				63		(57)	58	46	45
Iceland	41	36	(0)	44	39	(0)	41	30	29
Czech Rep.				26	17	20	24	20	33
Hungary				25	18	21	22	17	11
Ireland	42	38	40	47	40	24	36	38	29

*) empty cells: No data available.

( ) with less than 30 respondents in the cell.

Table 5 illustrates the lack of systematic trends to support the hypotheses, neither generally nor with regard to the subgroups of unskilled or unemployed persons.[1] Only in the UK do we observe less trust in 1999 than in 1980. In the other countries, trust is on the rise or remains at the same level. Moreover, we do not observe any systematic differences between the various groups of countries listed above. The same is the case if we consider the subgroups of the unskilled and unemployed. Only in Austria, Sweden and partly Belgium does the threat hypothesis receive some support with regard to these groups. In Austria and Sweden, trust has fallen among the unskilled and unemployed in both absolute and relative terms; and in Belgium only in relative terms. In the other countries, the gap between the level of trust in the entire population and level of trust among unskilled and unemployed persons is roughly the same or has even been reduced. This is the case in Denmark, the Netherlands, Germany and partly UK (among the unskilled) and France, where trust has a curvelinear development. The development in social trust across the countries therefore does not provide any indication of trust as influenced by the rise of new ethnic groups or by growing conflicts over the dawning of a multiethnic society. However, we cannot exclude that this is possibly the case to some extent in Austria and Sweden.

6. Conclusion

We have investigated the relationship between ethnic diversity and trust at the national, regional and local levels in Europe. At the national level, we have tested the Delhey & Newton model and other models with rather clear results. For Europe alone, we are not able to confirm the conclusion of Delhey and Newton that “high trust countries are characterized by ethnic homogeneity” (Delhey & Newton, 2005:311). We are also unable to confirm the hypothesis of a negative relationship between ethnic heterogeneity and social trust at the regional level. At the local level, however, we find a significant – although modest – effect of ethnic heterogeneity on trust. People living in an area with many persons belonging to a different ethnic group are less trusting than people living in areas with few persons belonging to a different ethnic group. A control for several parameters that may characterize people living in ethnically mixed areas reduces the strength of the relationship but does not

remove it entirely. One may assume that lower trust in such areas could be explained by "perceived threats", i.e. that the ethnic majority perceives immigrants as a potential threat, economically or culturally; however, this only explains little. A further analysis moreover reveals that the effect is limited to a few countries. In these countries it may be assumed that lower trust in ethnic mixed areas is a consequence of less trusting surroundings.

It has been argued that rather than the presence of people of a different ethnic origin, it is the *rise* of the presence of minority ethnic groups that that causes concern and thus has an impact on trust. To test this argument we have supplemented the analysis at a certain point in time with analyses of the development of ethnic heterogeneity and trust over time. We found, however, no systematic trends to support the argument of trust as being influenced by the rise of new ethnic groups or by growing conflicts over the dawning of a multiethnic society.

All told, ethnic diversity in Europe does not appear to be associated with lower levels of trust, except in local communities in which non-Western immigrants are concentrated; and even in these spots, the effect is limited. The findings therefore provide no support to demands for integration policies aimed at assimilation. Conversely, the findings can be seen to give some support political initiatives that counteract ethnic segregation and the continuous development toward so-called parallel societies.

Appendix – List of variables

(Dummy variables recoded from original variables are shown without codes. For all of these, a value of 1 indicates the category while 0 indicates that the respondent does not belong to that category)

Dependent variables:

Social trust (one item). "Most people can be trusted or you can't be too careful" (Scale from 0 to 10).

0 = You can't be too careful.

1 = Most people can be trusted.

Social trust (index measured as a mean of two items, the above-described and the following) "Do you think that most people would try to take advantage of you if they got the chance, or would they try to be fair?"

0 = Most people would try to take advantage of me.

10 = Most people would try to be fair.

Independent variables (individual level):

Gender

0 = Male

1 = Female

Age (in years or tens of years)

Ethnic minority (non-Western)

Education level. "What is the highest level of education you have received?" Ordinary scale from 0 to 6

0 = Not completed primary education

1 = Primary or first stage of secondary

2 = Lower secondary or second stage of secondary

3 = Upper secondary

4 = Post-secondary, non-tertiary

5 = First stage of tertiary

6 = Second stage of tertiary

Student (main activity is studying)

Unemployed, looking for work.

Unemployed, not looking for work.

Low income (below half the median income of country)

Urbanization (ordinal scale 1 to 5)[1]

1 = A farm or home in the countryside

2 = A country village

3 = A town or a small city

4 = The suburbs or outskirts of a big city

5 = A big city

Health. "How is your health in general? Would you say it is…" (ordinal scale 1 to 5)[1]

1 = Very bad

2 = Bad

3 = Fair

4 = Good

5 =Very good

Difficult to live on present income. "Which of the descriptions on this card comes closest to how you feel about your current household income?"

1 = Living comfortably on present income

2 = Coping on present income

3 = Finding it difficult on present income

4 = Finding it very difficult on present income

Crime victim. "Have you or a member of your household been the victim of a burglary or assault in the last five years?"

Social network. "How often do you meet socially with friends, relatives or colleagues?"

1 = Never

2 = Less than once a month

3 = Once a month

4 = Several times monthly

5 = Once a week

6 = Several times weekly

Respondent's own estimate of number of people belonging to ethnic minority groups in local area. "How would you describe the area where you currently live?"

1 = An area where almost nobody is of a different race or ethnic group (i.e. other than the national majority).

2 = There are some people of a different race or ethnic group (i.e. other than the national majority).

3 = There are many people of a different race or ethnic group.

Independent variables at the country level (used in Chapter 3)[1]

Pct. non-European. See the table on the following page.

Frac. ethnic. Ethnic fractionalization (from Alesina et al. 2003)

Frac. lang. Linguistic fractionalization (from Alesina et al. 2003)

Frac. rel. Religious fractionalization (from Alesina et al. 2003)

Good governance. Sum index based on five World Bank variables concerning voice and accountability, political stability/no violence, government effectiveness, rule of law and control of corruption. World Bank 2004.

GDP pr. capita (US Dollars). IMF 2005.

Gini index. World Bank (except for Iceland: Statistics Iceland)

Protestant or mixed Protestant and Catholic (Finland, Norway, Sweden, Denmark, Iceland, UK, Germany, Switzerland).

0 = Small share of Protestants

1 = Big share of Protestants

Protestant or Universalistic Welfare State (Finland, Norway, Sweden, Denmark, Iceland).

0 = Mostly Roman Catholic/orthodox

1 = Protestant country/Universalistic Welfare State

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Notes

[i] This definition is an approximation of the definition used by Statistics Denmark.
[ii] The intervals are constructed by multiplying the standard error by 1.4. This method assures that if two countries do not have overlapping intervals, they will have different mean trust in the population at a 0.05 significance level (Goldstein 1995, pp. 36-37).
[iii] The variable for *good governance* is a scale based on five different variables constructed by the World Bank (Kaufmann et.al.,2006). See Appendix A for further description of the independent variables.
[iv] Delhey & Newton finds an effect of ethnic homogeneity on social trust both before and after control for *Protestantism*. The Delhey & Newton variable for ethnic diversity (*ethnic fractionalization*) is constructed from demographic information, first and foremost from the *Encyclopedia Britannica*. The details and country-specific values are described in Alesina et al. (2003).
[v] In fact 26 countries are included in EES 2004; however, Turkey is left out of this analysis.
[vi] Unfortunately, France and Austria cannot be included in the analysis, as the French data has no comparable variables for income, while there is no comparable variable for education in the Austrian dataset. Documented in country-specific reports which can be downloaded from the ESS homepage: http://www.europeansocialsurvey.org/
[vii] See Schneider (2007) and Appendix.
[viii] Regarding the statistical significance, one should of course keep in mind that the number of respondents is rather great (even with only eight countries). This means that even very weak effects become statistically significant at the 0.05 level.